

USAID Grant Agreement No. 306-05-20

AMENDMENT NUMBER TWENTY

TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN (IRoA)

FOR

**THE STRATEGIC OBJECTIVE OF A THRIVING ECONOMY LED BY THE PRIVATE
SECTOR**

Dated as of: December 15, 2009

AMENDMENT NUMBER TWENTY

TO

THE STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER TWENTY TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT between the Government of the United States of America, acting through the United States Agency for International Development ("USAID"), and the Government of the Islamic Republic of Afghanistan (hereinafter referred to as the "Grantee" or the "GIRoA"), acting through the Ministry of Finance, dated as of December 15, 2009.

WHEREAS, the Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the Strategic Objective of "A Thriving Economy Led by the Private Sector" (USAID Grant Agreement No. SOAG-306-05-00), dated September 19, 2005 and subsequently amended that SOAG on:

- September 30, 2005 (Amendment No. 1);
- April 6, 2006 (Amendment No. 2);
- May 11, 2006 (Amendment No. 3);
- June 28, 2006 (Amendment No. 4);
- September 18, 2006 (Amendment No. 5);
- September 30, 2006 (Amendment No. 6);
- April 07, 2007 (Amendment No. 7);
- July 2, 2007 (Amendment No. 8) ;
- July 23, 2007 (Amendment No. 9);
- September 19, 2007 (Amendment No. 10);
- September 30, 2007 (Amendment No. 11);
- April 10, 2008 (Amendment No. 12);
- May 29, 2008 (Amendment No. 13);
- September 21, 2008 (Amendment No. 14);
- September 25, 2008 (Amendment No. 15)
- December 04, 2008 (Amendment No. 16);
- March 01, 2009 (Amendment No.17) through PIL # 13;
- May 25, 2009 (Amendment No. 18) through PIL # 14; and
- September 2009 (Amendment No. 19).

The SOAG so amended is referred to hereinafter as the "Agreement."

WHEREAS, USAID and the Grantee desire to further amend the Agreement to: (a) increase the USAID contribution by **Two Hundred Seventy-Four Million Eight Hundred Thirty Thousand United States (U.S.) Dollars (U.S. \$274,830,000.00)**; and (b) update the illustrative financial plan to reflect certain adjustments and to cross reference and cross-walk the original SOAG budget information against the new USAID standardized program budget structure

WHEREAS, USAID and GIRoA acknowledge that programming decisions for the use of these funds shall be made in coordination with the appropriate Ministry, and such decisions shall be recorded in Project Implementation Letters (PILs) with countersignatures by the relevant Minister and the Minister of Finance.

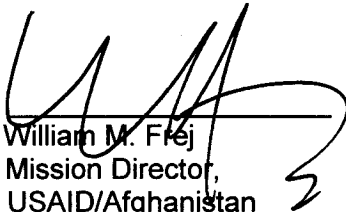
NOW, THEREFORE, the Parties hereto hereby agree that the Agreement shall be amended as follows:

1. The first sentence in Section 3.1(a) of the Agreement is deleted in its entirety and the following is substituted in lieu thereof: "(a) The Grant. To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants to the Grantee under the terms of this Agreement not to exceed **Three Billion Three Hundred Twenty Six Million Eight Hundred Eighty-Eight Thousand Ninety-Seven and Eighty-Two Hundredths** United States (U.S.) Dollars (**U.S. \$3,326,888,097.82**) (the 'Grant')."
2. The first sentence in paragraph (b) of Section 3.1 of the Agreement is deleted in its entirety and the following substituted in lieu thereof: "(b) Total Estimated USAID Contribution. USAID's total estimated contribution to achievement of the Objective will be U.S. \$3,326,888,097.82 which will be provided in increments."
3. The paragraph in Section 4 (a) of the Agreement is deleted in its entirety (to extend the completion date from December 31, 2010 to December 31, 2011) and the following is substituted in Lieu thereof: "The completion date, which is December 31, 2011, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective and Intermediate Result will be completed".
4. The illustrative financial plan set forth in Attachment 1 to Annex 1 to the Agreement is deleted and the updated illustrative financial plan attached hereto as Attachment A and Attachment B to this Amendment is substituted in lieu thereof.

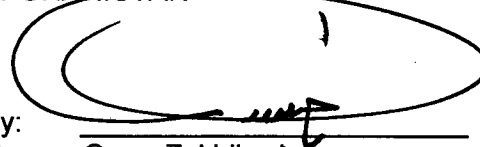
Except as further amended herein, all other terms and conditions of the Agreement remain in full force and effect. Capitalized terms not defined in this Amendment shall have the meanings ascribed thereto in the Agreement. This Amendment is prepared in both English and Dari. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representatives, sign this Amendment Number Twenty in their names and deliver it on the day, month and year written above.

FOR THE UNITED STATES OF AMERICA

By: 
Name: William M. Frej
Title: Mission Director,
USAID/Afghanistan

FOR THE ISLAMIC REPUBLIC OF
AFGHANISTAN

By: 
Name: Omar Zakhilwal
Title: Minister of Finance

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010

Amendment No. 20

In Thousands of U.S. Dollars

Objective and Activities	Amount Obligated prior to Amendment No. 20	Amount Obligated in Amendment No. 20	Cumulative Obligations in FY 2005 - FY 2009 *	Amount Remaining to be Obligated/Realigned in FY 2009 - FY 2010 **	Total Estimated Contribution ***
A THRIVING ECONOMY LED BY THE PRIVATE SECTOR					
USAID Grant Agreement No. SOAG-306-05-00					
Rehabilitate the rural economy	877,840	91,375	968,915	-	968,915
Accelerate market-led growth in agriculture ****	244,085	29,777	273,862	-	273,862
Accelerate rural development to generate alternative livelihoods ****	633,455	61,598	695,053	-	695,053
Increase incomes through Economic Growth ****	377,885	48,445	426,330	-	426,330
Expand Improved Access to Economic Infrastructure	1,769,715	135,010	1,904,725	-	1,904,725
Stabilize Energy Services and Make them Affordable and More Accessible ****	709,835	51,341	761,175	-	761,175
Expand and Improve Access to Transportation ****	1,024,752	67,670	1,092,421	-	1,092,421
Expand and Improve Access to Water Supplies and Sanitation ****	35,128	16,000	51,128	-	51,128
USAID Program Support	26,918	-	26,918	-	26,918
TOTAL OBJECTIVE 5:	3,052,058	274,830	3,326,888	-	3,326,888

NOTE * -- References to "FY" refer to the USG fiscal year

NOTE ** -- These funds are subject to the availability of funds to USAID and the other conditions set forth in Section 3.1 (b) of the Agreement.

NOTE *** -- Total Estimated Contribution after proposed realignments.

NOTE **** -- The illustrative financial plan previously included a line item for "Pre-existing Mortgages"; however, the funds in that line item are now included in the relevant programmatic line items indicated above

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010
Amendment No. 20
In Thousands of U.S. Dollars

Objective	Program Area	Old Activity/Intermediate Results (IR) Title	Amount Obligated prior to Amendment No. 20	Amount Obligated in Amendment No. 20	Cumulative Obligations in FY 2005 - FY 2009*	Amount Remaining to be Obligated/Reassigned in FY 2009 - FY 2010**	Total Estimated Contribution
A THRIVING ECONOMY LED BY THE PRIVATE SECTOR							
USAID Grant Agreement No. SOAG-308-05-00							
1. Peace and Security	4 Counter Narcotics	Alternative Development	665,845	58,518	724,163	-	724,163
2. Governing Justly & Democratically	2 Good Governance	Economic Growth	2,000	-	2,000	-	2,000
3. Investing in People	3.1 Health	Water	35,128	13,500	48,628	-	48,628
4. Economic Growth	1 Macroeconomic Foundation for Growth	Economic Growth	11,693	1,450	13,143	-	13,143
	2 Trade and Investment	Economic Growth	60,737	10,500	71,237	-	71,237
	3 Financial Sectors	Economic Growth	11,734	8,650	20,384	-	20,384
	4 Infrastructure	Infrastructure	1,749,314	114,563	1,863,877	-	1,863,877
	5 Agriculture	Agriculture	226,083	22,777	248,860	-	248,860
	6 Private Sector Competitiveness	Economic Growth	210,661	5,261	215,922	-	215,922
	7 Economic Opportunities	Economic Growth	61,060	18,384	79,444	-	79,444
	8 Environment	Agriculture	18,003	5,000	23,003	-	23,003
6. Operating Unit Management	1	Infrastructure	-	1,000	1,000	-	1,000
	1	Water	-	1,500	1,500	-	1,500
	1	Economic Growth	-	1,800	1,800	-	1,800
	2	Agriculture	-	2,000	2,000	-	2,000
	2	Alternative Development	-	3,080	3,080	-	3,080
	2	Infrastructure	-	3,447	3,447	-	3,447
	2	Water	-	1,000	1,000	-	1,000
	2	Economic Growth	-	2,400	2,400	-	2,400
	TOTAL OBJECTIVE 6:		3,052,058	274,830	3,326,888	-	3,326,888

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NOTE -- These funds are subject to the availability of funds to USAID and the other conditions set forth in Section 3.1 (b) of the Agreement